

2004-05

20-PERCENT PROGRAM REDUCTION/ELIMINATION CONCEPTS INSTRUCTIONS

General Instructions:

1. Complete Attachment II to identify the General Fund and selected non-General Fund reductions by Agency Secretary or department that does not report to an Agency Secretary. Attachment II is due on September 26th.
2. Complete Attachment III (or any other reasonable format) to provide additional details for each proposed reduction, if further explanation is required. Attachment III is due on October 10th.
3. While formal BCPs will not be required with the initial submission, they will be required for all reductions ultimately included in the Governor's Budget. Throughout the decision process, the Department of Finance (Finance) will provide guidance to Agencies as to which ideas should be developed into formal BCPs, for which a due date will be established later in the process.
4. All reduction plans must be submitted by each Agency. For departments that do not report to an Agency Secretary, plans must be submitted to the appropriate Finance PBM.
5. Submit one electronic and two paper copies of the attachments to the appropriate Finance PBM.
6. **No** departments or programs with General Fund expenditures will be exempted, with the exception of major one-time or mandatory expenditures approved by the appropriate Finance PBM. Examples may include expenditures which are constitutionally or federally required or court ordered, such as debt service payments (General Obligation and Lease Revenue), interest payments, and various non-departmental appropriations.
7. Reductions by Agency must total at least 20-percent of the 2003-04 expenditure amounts, as contained in the final 2003-04 budget totals (budget act and non-budget act appropriations) before any statewide undistributed amounts (e.g., savings in Control Section 4.10). The only adjustment available is for major one-time expenditures in 2003-04 (a detailed explanation of this type of expenditure must be submitted and approved by Finance) and mandatory expenditures, if approved by the appropriate Finance PBM (see #6 above).

Specific instructions for Attachment II

8. Reduction concepts must be displayed in order of ascending relative priority (i.e., the first issue listed would be the lowest funding priority within the Agency, i.e., the least disruptive reduction). Do not duplicate priority numbers.
9. Under the "Org" column, put the 4-digit organization code.
10. Under the "Dept" column, put a short and meaningful title of the Department's name. For example, for Department of Parks and Recreation, put "DPR" or "Parks".
11. Under the "Description of Program Option" column, provide a short and descriptive title of the proposals. Include program title and proposed action, e.g., "Eliminate Program ABC", "Reduce Program DEF by 50 percent".
12. Under "SO/LA" column, put either "SO" for State operations or "LA" for local assistance.

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13. Under "P98" column, place a "Y" if this issue is funded with Proposition 98 moneys.
14. Under "L/R/C" column, put "L" if the proposal requires a legislative change. Put "R" for proposals that require regulatory change. Put "C" for proposals that require change to the Constitution. Leave blank if not applicable.
15. Under the "2003-04 Base" column, identify the GF (or selected non-General fund) amount in the final 2003-04 budget total (budget act or non-budget act appropriations). The base can be the amount for the program, function, project, etc. Use your best judgment as to which one makes the most sense for the reduction option.
16. Under the "2004-05 PYs" and "2004-05 GF" column, for each program option, identify the reduction in personnel years and the GF dollar amount (in thousands) for 2004-05 fiscal year. For non-General fund, please enter the non-GF dollar amount (in thousands) in the "2004-05 Non-GF" column.
17. Under the "Program Impact" column, briefly (with three to five sentences) identify the following:

Impact of the proposed reductions. Identify the groups who benefit from the service/program, any other likely opposition to its reduction/elimination, and consequences of the reductions.

One-time savings are not accepted unless they are accompanied with ongoing savings that begin after the one-time savings cease. Please clearly identify the one-time and accompanying on-going savings, if applicable.

If additional space is required, please use Attachment III. Attachment III is due on October 10th.

2004-05 PROGRAM REDUCTION/ELIMINATION CONCEPTS^{1/}
(Dollars in Thousands)

Agency: _____

Priority No.	Org	Dept	Description of Concepts (List Lowest Funding Priority First)	SO/ LA	P98	L/R/C ^{2/}	2003-04 Base	2004-05			Program Impact (Provide concise description. Fill out Attachment III, if necessary.)
								PYs	GF	Non - GF	
Totals								0.0	\$0	\$0	

^{1/} See Instructions (Attachment I)

^{2/} L = Legislation required
R = Regulation change required
C = Constitution change required

Approval: _____
Department Director

Approval: _____
Agency Secretary

Date: _____

Date: _____